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**2010 MID-YEAR SUPPLEMENTAL REPORT TO THE BOARD**

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**TO:** COL(R) Michael W. Hartley Chairman of the Board,  
Mr. Bob Evans, Secretary and  
ATOS Board Of Directors

**FROM:** Mr. John DeMajo, Endowment Fund Chairperson;  
Mr. Jelani Eddington, Endowment Fund Recording Secretary

**DATE:** January 27, 2010

**RE:** RDOT AMENDMENT PROPOSAL

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The following is a proposal for a change to Section 4.1 of the Resolution And Declaration Of Trust ("RDOT") which establishes and governs the ATOS Endowment Fund.

**BACKGROUND & EXISTING LANGUAGE**

As a matter of practice, the ATOS Board has frequently authorized the distribution of Endowment Fund grants to ATOS Chapters as well as non-ATOS Chapters. In our online 2010 application form, we stated that we will accept one application per "chapter, organization or person," clearly indicating that non-ATOS organizations are eligible for consideration.

Although our practice has been consistent in this regard, the RDOT is ambiguous as to the authority to award grants to non-ATOS Chapters. The relevant section provides (emphases added):

**Section 4.1 Income Distribution.** Upon approval from the ATOS Board of Directors, the Board of Trustees may distribute funds from the trust estate in the form of grants or loans, to ATOS Chapters in good standing, for projects and/or programs which will have a lasting impact on the preservation and/or presentation of the theatre pipe organ as an historical American instrument and musical art form; for projects and/or programs of particular historical or scholarly merit; and for other projects and/or programs as approved by the ATOS Board of Directors.

Some ambiguity exists in the phrase "...and for other projects and/or programs as approved by the ATOS Board of Directors" because it is unclear whether such "other projects" could include non-ATOS Chapter projects, or whether the term refers only to the *type* of project that can be funded for an ATOS Chapter in good standing.

**PROPOSAL FOR AMENDMENT**

Accordingly, to resolve any ambiguity in favor of long-standing Board practice and authorization, we propose the following amendment to Section 4.1 (amended language in underlined bold italics)

**Section 4.1 Income Distribution.** Upon approval from the ATOS Board of Directors, the Board of Trustees may distribute funds from the trust estate...to ATOS Chapters in good standing and/or to other organizations approved by the ATOS Board of Directors. for projects....